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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Sixty-first Meeting
Montreal, 5-9 July 2010

ANNUAL TRANCHE SUBMISSION DELAYS

1. This report emanates from a history of late submissions of annual tranches that resulted in delays in transferring funds and in fulfilling obligations to fund the activities required by the tranches. It is intended to enable the Executive Committee to encourage countries and relevant agencies to enhance their efforts to submit annual tranches as soon as possible and to address difficulties in meeting deadlines with respect to their submissions.

2. This report has addressed delays in the submission of tranches that were due to the current meeting and those annual tranches that have been withdrawn after review because of slow implementation or lack of the required verification reports. It highlights those terminal phase-out management plans (TPMPs) and national phase-out plans (NPPs) due to be submitted to meetings after the 61st Meeting. It also presents recommendations for consideration by the Executive Committee.

3. Thirty-two annual tranches were due for submission to the 61st Meeting: all are NPPs or TPMPs except one methyl bromide annual tranche and one accelerated CFC production. Fourteen tranches, all of which were TPMPs or NPPs, have not been submitted. These are broken down as follows: UNDP (2), UNEP (8), UNIDO (3), and World Bank (1). There were two multi-year agreement (MYA) tranches submitted to the 61st Meeting that were withdrawn.

Annual tranches not submitted to the 61st Meeting

4. At its 60th Meeting, the Executive Committee decided:

- (a) To allow the submission of outstanding funding tranches of national phase-out plans (NPPs) or terminal phase-out management plans (TPMPs) in Article 5 countries to the 61st Meeting of the Executive Committee on the understanding that the governments concerned, with assistance from relevant bilateral and implementing agencies, would consider implementing agencies to sustain zero consumption of CFCs and other activities to facilitate the phase-out of HCFCs; and
- (b) That funding tranches of NPPs or TPMPs not submitted to the 61st Meeting should be integrated into the relevant HCFC phase-out management plans of the countries concerned. (decision 60/11).

5. Consequently, the TPMPs that were not submitted to this meeting listed in Table 1 should be integrated into the relevant HCFC phase-out management plans (HPMPs) in line with decision 60/11(b). The Executive Committee may wish to note the reasons for the non-submission to the 61st Meeting and request the Secretariat to inform the relevant Article 5 Governments and implementing agencies to take actions to integrate the funding tranches of the NPPs or TPMPs indicated in Table 1 into the relevant HPMPs pursuant to decision 60/11(b).

Table 1

TPMPs THAT WERE NOT SUBMITTED TO THE 61ST MEETING

Agency	Country	Sector	Tranches	Reason for non-submission to the 61 st Meeting
UNIDO	Burundi	CFC Phase-Out Plan	2009	Substantial activities started only in November 2009.
UNEP	Burundi	CFC Phase-Out Plan	2009	Delay in activities due to changes at NOU.
UNEP	Equatorial Guinea	ODS Phase-Out Plan	2010	Delay due to late approval of agreements by government.
UNIDO	Eritrea	ODS Phase-Out Plan	2009	Late start to project implementation.
UNEP	Eritrea	ODS Phase-Out Plan	2009	Delay in activities due to the late establishment of ODS licensing and quota system regulations.
UNEP	Guatemala	CFC Phase-Out Plan	2009	Expenditure level is low due to delays in signing documents between UNDP and the Government.

Agency	Country	Sector	Tranches	Reason for non-submission to the 61 st Meeting
UNEP	Haiti	CFC Phase-Out Plan	2010	Country situation due to the earthquake.
UNIDO	Kuwait	ODS Phase-Out Plan	2008	The verification report was not ready in time due to delays in contracting the national institute to conduct the verification task.
UNEP	Kuwait	ODS Phase-Out Plan	2008	Not provided.
UNDP	Peru	CFC Phase-Out Plan	2009	Due to inability to sign a legal agreement pending internal Government resolution of institutional issues.
UNEP	Peru	CFC Phase-Out Plan	2009	Funding agreement had not been signed for the previous tranche.
UNDP	Saint Kitts and Nevis	CFC Phase-Out Plan	2009	Low disbursement from the previous tranches
UNEP	Saint Kitts and Nevis	CFC Phase-Out Plan	2009	Low level of disbursement for investment component.
World Bank	Turkey	CFC Phase-Out Plan	2008	Verification audits (2007 and 2008) not completed and annual programme was incomplete, difficulties associated with the closure of the grant agreement.

Annual tranches submitted but withdrawn after discussion with the Fund Secretariat

6. Table 2 presents those annual tranches that were submitted to the Fund Secretariat but withdrawn after review. The Executive Committee may wish to note the reason why the tranche for the CFC phase-out plan in Suriname was withdrawn from consideration at the 61st Meeting and request the Secretariat to inform the Government of Suriname and UNEP to take actions to integrate the funding tranches of the TPMP indicated in Table 2 into the relevant HPMP pursuant to decision 60/11(b).

Table 2

ANNUAL TRANCHE THAT WAS SUBMITTED BUT WITHDRAWN AFTER DISCUSSION WITH THE SECRETARIAT

Agency	Country	Sector	Tranche	Reason
UNEP	Suriname	CFC Phase-Out Plan	2009	Low disbursement and slow implementation
World Bank	India	Accelerated CFC Production Sector Phase-Out Plan	2009	Pending release of Custom data per decision 59/18

7. The World Bank submitted the 2009 work programme and verification report for the final tranche of the Accelerated CFC production sector phase-out plan in India. However, due to the need for internal clearance for the release of the customs data to the auditors required by decision 59/18, the request was subsequently withdrawn.

8. The Executive Committee may wish to note that the 2009 tranche for the Accelerated CFC production sector phase-out plan in India was withdrawn from consideration at the 61st Meeting after discussion with the Fund Secretariat to enable the release of Customs records to the World Bank auditors for review as required by decision 59/18, Annex V of document UNEP/OzL.Pro/ExCom/60/54.

NPPs and TPMPs due to meetings after the 61st Meeting

9. Pursuant to decision 60/11(b), all NPPs and TPMPs due to meetings after the 61st Meeting should also be integrated into HPMPs. Table 3 lists those projects. The Executive Committee may wish to request the Secretariat to inform the relevant Article 5 Governments and implementing agencies to take actions to integrate the funding tranches of NPPs and TPMPs indicated in Table 3 into the relevant HPMPs pursuant to decision 60/11(b).

Table 3

NPPs and TPMPs THAT WERE DUE AFTER THE 61ST MEETING

Agency	Country	Sector	Tranche	Funds Approved in Principle (US\$)	Support Costs Approved in Principle (US\$)
UNEP	Grenada	CFC Phase-Out Plan	2009	12,500	1,625
UNDP	Bangladesh	ODS Phase-Out Plan	2010	55,000	4,125
UNEP	Iraq	ODS Phase-Out Plan	2011	505,000	65,650
UNIDO	Iraq	ODS Phase-Out Plan	2011	303,000	22,725
IBRD	Turkey	CFC Phase-Out Plan	2009	0	25,000

RECOMMENDATIONS

10. The Executive Committee may wish to consider:
- (a) Noting with appreciation, the information on annual tranches submission delays under multi-year agreements (MYAs) submitted to the Secretariat by France, UNDP, UNEP, UNIDO, and the World Bank as contained in the document UNEP/OzL.Pro/ExCom/61/5;
 - (b) Further noting that 18 of the 32 annual tranches in MYAs due for submission had been submitted on time to the 61st Meeting, but the remaining 14 have not been;
 - (c) Requesting the Secretariat to send letters for the annual tranches, indicated in Table 1 of document UNEP/OzL.Pro/ExCom/61/5, with the reasons indicating why the annual tranches were not submitted to the 61st Meeting and informing the relevant Article 5 Governments and implementing agencies to take actions to integrate the funding tranches of these national phase-out plans (NPPs) or terminal phase-out plans (TPMPs) into the relevant HCFC phase-out management plans (HPMPs) pursuant to decision 60/11(b);
 - (d) Requesting the Secretariat to send a letter for:
 - (i) The 2009 annual tranche for the CFC phase-out plan in Suriname noting that it was withdrawn from consideration at the 61st Meeting after discussion with the Fund Secretariat due to low disbursement and slow implementation, and informing the Government of Suriname and UNEP to take actions to integrate the funding tranches of the TPMP into the relevant HPMP pursuant to decision 60/11(b);
 - (ii) The 2009 tranche for the Accelerated CFC production sector phase-out plan in India noting that it was withdrawn from consideration at the 61st Meeting after discussion with the Fund Secretariat to enable the release of Customs records to the World Bank auditors for review as required by decision 59/18, Annex V of document UNEP/OzL.Pro/ExCom/60/54; and
 - (e) Further requesting the Secretariat to send letters for the annual tranches, indicated in Table 3 of document UNEP/OzL.Pro/ExCom/61/5, that had been due for submission after the 61st Meeting, informing the relevant Article 5 Governments and implementing agencies to take actions to integrate the funding tranches of these NPPs and TPMPs into the relevant HPMPs pursuant to decision 60/11(b).
